Medtronic News

Medtronic Announces 7 Percent Increase in Cash Dividend

40th Consecutive Year of Dividend Increases; Board Authorizes $5 Billion for Share Repurchases

DUBLIN - June 23, 2017 - The board of directors of Medtronic plc (NYSE: MDT) today approved a 7 percent increase in its quarterly cash dividend, raising the quarterly amount to $0.46 per ordinary share. This would translate into an annual amount of $1.84 per ordinary share, or a dividend per share payout ratio of 40 percent of prior fiscal year non-GAAP diluted earnings per share. Today's announcement marks the 40th consecutive year of an increase in the dividend payment for Medtronic, a constituent of the S&P 500 Dividend Aristocrats index. Including today's increase, Medtronic's dividend per share has nearly quadrupled over the past decade and has grown at a 17 percent compounded annual growth rate over the past 40 years.

"Today's increase in our dividend demonstrates the confidence of the board and our management team in the strength of the company's cash flow generation and the ability to generate value for our shareholders," said Omar Ishrak, Medtronic chairman and chief executive officer. "We are committed to returning a minimum of 50 percent of our free cash flow each year through dividends and share repurchases, balancing the return of cash to our shareholders with disciplined reinvestment in our business to drive sustainable growth."

The dividend is payable on July 26, 2017, to shareholders of record at the close of business on July 7, 2017. Additional information about the tax treatment of the dividend is available at investorrelations.medtronic.com.

In addition to increasing the dividend, the board today authorized the expenditure of up to $5.0 billion for new share repurchases. The authorization replaces the previous 2015 repurchase authorization to redeem up to an aggregate number of ordinary shares. There is no specific time-period associated with today's repurchase authorization.

About Medtronic

Medtronic plc (www.medtronic.com), headquartered in Dublin, Ireland, is among the world's largest medical technology, services and solutions companies - alleviating pain, restoring health and extending life for millions of people around the world. Medtronic employs more than 88,000 people worldwide, serving physicians, hospitals and patients in approximately 160 countries. The company is focused on collaborating with stakeholders around the world to take healthcare Further, Together.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results.

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Contacts:

Fernando Vivanco
Public Relations
+1-763-505-3780

Ryan Weispfenning
Investor Relations
+1-763-505-4626

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